

U.S. DEPARTMENT OF ENERGY

NEVADA OPERATIONS OFFICE

MANUAL

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DOE/NV OVERSIGHT MANAGEMENT SYSTEM



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INTRODUCTION

1. PURPOSE. To define the requirements and processes for: 1) DOE/NV self-assessments, 2) DOE Nevada Operations Office (DOE/NV) oversight of contractor/user organizations, and 3) the Business Management Oversight Process (BMOP). The use of this manual shall generate performance data for DOE/NV's use in documenting the fulfillment of its stewardship responsibilities. The data will also be used to track and promote continuous improvement. DOE/NV performs oversight of National Laboratory operations conducted under its purview and provides the DOE Albuquerque Operations Office and the DOE Oakland Operations Office with input concerning the safety performance of the laboratories. Responsibilities for laboratory safety performance are defined in Memoranda of Agreement between the Department of Energy (DOE) offices. Results derived from DOE/NV's oversight of the safety performance of other user organizations will determine the organizations' continued use of the assets and resources under DOE/NV's stewardship.
2. SUMMARY. This Manual consists of three chapters that provide the requirements for implementing the DOE/NV oversight activities. Chapter I establishes a DOE/NV Self-Assessment Program that defines expectations for the review, evaluation, and improvements of the DOE/NV federal processes, systems, programs, and management issues. Chapter II describes the requirements for the conduct of effective oversight of contractor/user organizations nonbusiness activities. Chapter III addresses DOE and DOE/NV BMOP process for overseeing business management functions of the Management and Operating contractors.
3. CANCELLATION. NV M 220.X, DOE/NV OVERSIGHT MANAGEMENT SYSTEM, dated 12-15-99, and Changes thereto.
4. REQUIREMENTS.
 - a. Assistant Managers (AM) shall establish the extent and frequency of all oversight activities. Division Directors shall schedule and document all oversight activities by frequency.
 - b. Assessment Data Tracking and Trending. The business and nonbusiness assessment data entered into the DOE/NV Oversight Tracking System (OTS)

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administered by the Assistant Manager for Technical Services (AMTS) shall be utilized to provide management and staff with closure status, substantiation of trends, overall contractor/user performance perspective, etc.

- c. Standardized Oversight Form. The NV-113 Assessments and Findings Data Entry Form (Appendix A) shall be used to document oversight activities. The completed forms shall be the source for entering assessment data into the OTS. Use of this form does not preclude use of other data collection mechanisms and forms to acquire the information.
- d. Management System Steering Panel. A Management System Steering Panel consisting of members appointed by the DOE/NV Executive Council shall periodically (at least annually) review summarized information derived from OTS. The Management System Steering Panel shall provide the DOE/NV Executive Council, chaired by the Manager, closure status, important trends, and recommendations regarding future oversight priorities.
- e. Graded Approach. The degree of oversight and magnitude of resources expended for a particular oversight activity shall be tailored to be commensurate with the relative importance of the activity with regard to mission accomplishment, programmatic importance, safety, environmental compliance, safeguards and security, magnitude of hazard, financial impact, and/or other facility-specific requirements.
- f. Perception of Cause. DOE/NV expects the organization performing the work to analyze deficiencies for "Root Cause" in accordance with DOE-NE-STD-1004-92, when appropriate. However, on a trial basis, DOE/NV has decided to encourage DOE/NV assessors to evaluate any deficient findings identified through their oversight efforts for their "perception of cause." Appendix A, Instructions for Completing the DOE/NV Assessments and Findings Data Entry Form, provides a description of the seven cause categories to be utilized.



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CHAPTER I

DOE/NV ASSESSMENT PROGRAM

1. OBJECTIVE. This chapter establishes a DOE/NV Assessment Program that defines expectations for the review, evaluation and improvements of the DOE/NV processes, systems, programs, and management issues.
2. CANCELLATION. Paragraphs 9 and 10, page I-8, NV Manual 10XE.1A-1, QUALITY MANAGEMENT, dated 10-12-95.
3. APPLICABILITY.
 - a. This chapter applies to all DOE/NV organizational elements.
 - b. Those DOE/NV elements listed in Chapter III, Section 3, BMOP.
4. REQUIREMENTS. Each DOE/NV federal organizational element shall review, evaluate, and improve its overall performance as required in NV M 111.XA, FUNCTIONS, RESPONSIBILITIES, AND AUTHORITIES MANUAL. To accomplish this requirement, there are two types of assessments as identified in DOE O 414.1A, QUALITY ASSURANCE.
 - a. Management Assessment. Managers shall assess their own management processes. Problems that prevent the organization from achieving its objectives shall be identified and corrected. Best practices shall also be identified.
 - b. Independent Assessment. An evaluation carried out by a group of DOE/NV federal staff or other individuals with sufficient authority and independence to carry out its responsibility. These individuals shall be technically qualified and knowledgeable in the areas assessed but shall not have direct responsibility for those areas. Independent assessments shall be planned and conducted to measure item and service quality, to measure the adequacy of work performance, and to promote improvement.

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5. RESPONSIBILITIES.

a. DOE/NV Manager.

- (1) Approves DOE/NV federal processes, systems, programs, or management issues for Internal Independent Assessments.
- (2) Approves/disapproves recommendations from requested Internal Independent Assessments.

b. DOE/NV Executive Council.

- (1) Selects DOE/NV federal processes, systems, programs, or management issues for Internal Independent Assessments.
- (2) May appoint Internal Independent Assessment team members.
- (3) Determines disposition of Internal Independent Assessment team recommendations.

c. Assistant Managers.

- (1) Select and approve federal processes, systems, programs, or management issues for assessments, including independent assessments within their organizations.
- (2) Appoint assessment team members.
- (3) Determine disposition of assessment team recommendations.

d. Division Directors.

- (1) Assign employees to perform assessments within their organization.
- (2) Encourage employees to identify process improvements.
- (3) Approve and document recommendations from assessments.

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- (4) Select and approve processes or programs within their cognizance for assessment.
 - (5) Select federal staff to perform assessments. Coordinate the appointment of proposed team members for assessments.
 - (6) Propose processes or programs requiring assessment to the Executive Council.
 - (7) Ensure the collection and maintenance of relevant documentation in official files.
- e. DOE/NV Management System Steering Panel. Using oversight data from the DOE/NV OTS shall ensure the continued priority of safety integration within work conducted under the purview of DOE/NV, monitor the effectiveness of DOE/NV's oversight efforts and elevate processes or programs that may be candidates for assessment to the Executive Council.
- f. DOE/NV Employees. All employees, including DOE/NV management, shall perform assessments of their own work to determine whether they are achieving quality and to identify ways to improve their work processes. Documenting these assessments is not required, but is encouraged.

6. REFERENCES.

- a. DOE O 414.1A, QUALITY ASSURANCE, dated 9-29-99.
- b. DOE G 414.1-1, IMPLEMENTATION GUIDE FOR USE WITH INDEPENDENT AND MANAGEMENT ASSESSMENT REQUIREMENTS, dated 8-1-96.
- c. DOE G 450.4-1A, INTEGRATED SAFETY MANAGEMENT SYSTEM GUIDE, dated 5-27-99.
- d. DOE P 450.5, LINE ENVIRONMENT, SAFETY, AND HEALTH OVERSIGHT, dated 6-26-97.
- e. DOE O 452.1A, NUCLEAR EXPLOSIVE AND WEAPONS SURETY PROGRAM, dated 1-17-97.

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- f. NV M 111.XA, FUNCTIONS, RESPONSIBILITIES, AND AUTHORITIES MANUAL.
- g. NV P 450.4B, SAFETY MANAGEMENT SYSTEM POLICY.
- h. NV O 452.1A, NUCLEAR EXPLOSIVE AND WEAPONS SURETY PROGRAM, dated 9-30-99.

7. PROCESSES.

- a. Management Assessment. As a result of customer feedback, employee suggestions, or management interest concerning a work process assigned to their functional area, a DOE/NV management official may assign an employee, or groups of employees, under his/her direction to perform an assessment. This assessment shall be documented and shall consist of the following as a minimum: identify and describe the current process, identify findings, or good practices, document perception of root-causes of deficient findings, and make recommendations for improvement where appropriate. DOE/NV Management shall approve recommendations, as appropriate. Approved recommendations shall be implemented and results documented.
- b. Independent Assessment.
 - (1) Internal Independent Assessment. The assessment team will consist of independent federal staff appointed by any DOE/NV management official. The Internal Independent Assessment shall be documented. The report shall consist of the following, as a minimum: identify and describe the current process/program, identify findings, document perception of root causes of deficient findings, and make recommendations for improvement, as required. Approved recommendations shall be implemented and results documented.
 - (2) External Independent Assessments. These assessments shall be conducted as deemed necessary by DOE Headquarters (DOE/HQ), the DOE Office of Inspector General (IG), or other assessment entities.

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- c. Assessment findings and recommendations shall be documented. Assessment findings shall be recorded on an NV-113 Assessments and Findings Data Entry Form (Appendix A); evaluated for potential risk in accordance with Appendix C; entered into the OTS in accordance with Appendix D; and closed with appropriate documentation.
8. CONTACT. Questions concerning this chapter shall be addressed to the Office of AMTS (OAMTS).

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CHAPTER II

DOE/NV OVERSIGHT OF CONTRACTOR/USER WORK PERFORMANCE/INTEGRATED SAFETY MANAGEMENT (ISM)

1. OBJECTIVE. This chapter defines requirements for the conduct of effective DOE/NV assessments of contractors and users of DOE facilities in the performance of missions and environment, safety, and health (ES&H) activities.
2. CANCELLATION. None.
3. APPLICABILITY.
 - a. This chapter applies to all DOE/NV management and staff personnel engaged in overseeing all nonbusiness work performed under DOE/NV's purview as required in NV M 111.XA, FUNCTIONS, RESPONSIBILITIES, AND AUTHORITIES MANUAL.
 - b. The requirements of this chapter shall be applicable to all DOE/NV contractor and user organizations as set forth in the Contractor Requirements Document, Attachment 1.
 - c. Activities specifically excluded from the requirements of this chapter include those related to Financial Management as governed by the Chief Financial Officers Act, Information Management as governed by the Chief Information Officers Act, Contracts Management as governed by the Federal Procurement Regulations, Contractor Human Resources and Equal Employment Opportunity as governed by the Federal Procurement Regulations, Personal Property as governed by Federal Property Management Regulations.
4. REQUIREMENTS. DOE/NV shall maintain an effective and documented work performance and safety oversight program.
 - a. Oversight Planning. DOE/NV shall develop oversight plans to address Real Estate/Operations Permits (REOP) and functional areas.

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b. Operational Awareness.

- (1) Maintain operational and performance awareness through periodic walk-throughs of activities, facilities, and real estate covered by the assigned REOPs.
- (2) The frequency and magnitude of operational awareness activities shall be tailored and based upon the hazards/risks, inherent in the assigned REOPs, as well as assessment results, lessons learned, emergent issues, etc.

c. Validations/Assessments (V/A). Assessors shall:

- (1) Plan and perform formal and periodic validations where the contractor/user has an adequate, documented self-assessment program that covers the area of interest.
- (2) Plan and perform assessments in accordance with agreed to defined criteria and in consideration of any applicable laws or regulations, where an adequate, documented self-assessment program that covers the area of interest does not exist.
- (3) Base frequency and magnitude of V/A activities on the hazards and risks inherent in assigned work scopes as well as assessment results, lessons learned, emergent issues, etc.
- (4) Consider, as a minimum, ISM process, work scope, authorization basis documentation, Work Smart Standards, work control processes, formality of operations, quality assurance (QA), lessons learned, Facility Representative input, and emergent issues in planning assessments.

d. Findings. DOE/NV shall:

- (1) Evaluate all adverse findings, i.e., discrepant/deficient conditions including those related to ISM, concerns, conduct of operations, etc., resulting from walk-throughs, validations, assessments, or verifications in accordance

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with the Risk Estimation Process (Appendix C). This is normally performed by the Assessor, but it can be assigned to any appropriate DOE/NV employee if the finding originates from an external organization.

- (2) Assign a Risk Assessment Value (RAV) of zero if no adverse findings (i.e., neutral observations, noteworthy practices, etc.) are identified.

e. Documentation and Communications.

- (1) Utilize the NV-113, "Assessments and Findings Data Entry Form" (Appendix A), to document results from, validations, assessments, and verifications or any findings identified by an external organization. If, during the course of a walk-through, the assessor identifies areas of concern or findings, these findings or concerns will be documented on the NV-113 form.
- (2) Enter information recorded on the NV-113 into the OTS. (Appendix D).
- (3) Findings with a RAV less than 100.
 - (a) Communicate findings to the appropriate DOE/NV Program/Project/Functional Manager.
 - (b) Follow-up is usually not required. However, the finding, as an entry in the OTS, may be useful for identifying a trend.
- (4) Findings with a RAV greater than or equal to 100, those identified by an external organization, or any finding deemed appropriate by a Division Director.
 - (a) Transmittal to Contractor/User.
 - 1 Formally communicate findings to the organization assessed through the cognizant DOE/NV AM.

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5. RESPONSIBILITIES.

a. Assistant Managers.

- (1) Ensure implementation of the DOE/NV Oversight Management System and perform periodic walk-throughs as appropriate.
- (2) Appoint an OTS Data Entry Coordinator to input data collected by Assessors.
- (3) Consider OTS data in contractor/user performance evaluations.
- (4) Provide an AM technical support representative to analyze assessment data for trends and lessons learned.
- (5) Ensure that findings derived from external assessments (e.g. DOE/HQ, IG, GAO, etc.) are assigned to a DOE/NV employee and processed in accordance with the requirements of this Directive.

b. Assistant Manager for Technical Services.

- (1) Provides an OTS Administrator and an alternate to maintain the OTS. This individual also serves as the AMTS Data Entry Coordinator.
- (2) Develops and implements an OTS change control process.

c. Division Directors.

- (1) Ensure implementation of the DOE/NV Oversight Management System and perform periodic walk-throughs.
- (2) Ensure employees are knowledgeable of their responsibilities as Program/Project/Functional Managers, Facility Representative, or subject matter experts.
- (3) Ensure employees are fulfilling their oversight responsibilities.

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- (4) Ensure the coordination of requests from other organizations to support validation, assessment, verification efforts.
- (5) Ensure the OTS database is used to identify issues/trends and support performance evaluations.
- (6) Ensure Program/Project/Functional Managers develop and maintain V/A plans.
- (7) Review and, if not delegated, approve oversight documentation; e.g., RAV scores, corrective action plans.

d. Program/Project/Functional Managers With Assigned REOPs.

- (1) Maintain operational and performance awareness through periodic walk-throughs of activities, facilities, and real estate covered by the REOPs.
- (2) Develop, maintain, and implement a documented V/A plan for each assigned REOP utilizing support from the assigned Facility Representative, Program/Project/Functional Manager, and appropriate subject matter experts. Request support from other DOE/NV elements as needed and communicate V/A plan with the assessee.
- (3) Ensure appropriate implementation of the documented V/A plan for each assigned REOP in accordance with this Directive.
- (4) Coordinate the assessment schedules of subject matter support personnel with the assigned Facility Representative and contractor/user interviewees for assigned REOPs, as needed.
- (5) Review and, if delegated authority, recommend approval of contractor/user corrective action plans in response to findings with a RAV \geq 100 and coordinate with the original Assessor to verify closure.
- (6) Utilize OTS data to identify issues/trends and support performance evaluations and improvement initiatives relevant to assigned REOPs.

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e. Program/Project/Functional Managers Without Assigned REOPs.

- (1) Maintain operational and performance awareness through periodic walk-throughs of activities, facilities, and real estate covered by their project/functional activities.
- (2) Develop, maintain, and implement a documented V/A plan for project/functional activities utilizing support from the assigned Facility Representative, Program/Project/Functional Manager, and appropriate subject matter experts. Request support from other DOE/NV elements as needed and communicate V/A plan with the assessee.
- (3) Ensure appropriate implementation of the documented V/A plan for project/functional activities in accordance with this Directive.
- (4) Coordinate the assessment schedules of subject matter support personnel with the assigned Facility Representative and contractor/user interviewees for project/functional activities, as needed.
- (5) Review and, if delegated authority, recommend approval of contractor/user corrective action plans in response to findings with a RAV \geq 100 and coordinate with the original Assessor to verify closure.
- (6) Utilize OTS data to identify issues/trends and support performance evaluations and improvement initiatives relevant to project/functional activities.

f. Facility Representatives.

- (1) Maintain familiarity of assigned REOPs and authorization basis documentation for their assigned facilities.
- (2) Maintain operational and performance awareness through periodic walk-throughs of activities, facilities, and real estate covered by the assigned REOPs.

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- (3) Support Program/Project/Functional Managers in their development, maintenance, and implementation of a documented V/A plan for each assigned REOP.
- (4) Keep the appropriate Program/Project/Functional Manager informed of any adverse findings relevant to their assigned REOPs, including the balance of plant.
- (5) Analyze the assessment results from other Facility Representatives for site wide trends that should be referred to the appropriate supervisor.
- (6) Utilize OTS data to identify issues/trends and support performance evaluations; those that are specific to a REOP shall be communicated to the assigned Program/Project/Functional Manager.
- (7) If identified issues/trends are not being appropriately addressed by the assigned Program/Project/Functional Manager, the Facility Representative should notify their supervisor.
- (8) Plan and perform assessments, independent of the V/A plan, if there is sufficient cause for concern; keep the appropriate Program/Project/Functional Manager informed of any findings.

g. Functional Managers/Subject Matter Experts.

- (1) Support program/project and other Functional Managers in their development, maintenance, and implementation of a documented V/A plan.
- (2) Implement the documented V/A plan in accordance with this Directive.
- (3) Perform assessments of your assigned function in accordance with this Directive.
- (4) Utilize OTS data to identify issues/trends and support performance evaluations relevant to your expertise or assigned function.

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- (5) Keep the appropriate Program/Project/Functional Manager/Facility Representative informed of any findings, issues, or trends as they relate to assigned REOPs, including the balance of plant.
- (6) If the subject matter expert or Functional Manager, identifies issues/trends not being appropriately addressed by the assigned REOP Program/Project/Functional Manager, they should notify their supervisor.
- (7) Plan and perform assessments, independent of the V/A plan, if there is sufficient cause for concern; keep the appropriate Program/Project/Functional Manager/Facility Representative informed of any findings.

| h. OTS Administrator.

- (1) Administers the OTS database system to meet DOE/NV needs.
- (2) Coordinates required changes to the OTS data base with the DOE/NV computer support contractor.
- (3) Provides guidance to OTS Data Entry Coordinators, as required.
- (4) Summarizes and provides OTS information requested by the Management System Steering Panel.
- (5) Summarizes and reports closure status for all oversight findings with RAV greater than or equal to 100.
- (6) Analyzes information in OTS to identify trends and potential lessons learned.
- (7) Enters data from the NV-113 Assessments and Findings Data Entry Form into the OTS (Appendix D) for oversight performed by AMTS organizations.

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i. OTS Data Entry Coordinator.

- (1) Enters data from the NV-113 Assessments and Findings Data Entry Form into the OTS (Appendix D).
- (2) Provides information from the OTS to DOE/NV management, as requested.

j. Management System Steering Panel. Periodically reviews OTS data to identify issues/trends and recommends oversight activities.

6. REFERENCES.

- a. DOE G 414.1-1, IMPLEMENTATION GUIDE FOR USE WITH INDEPENDENT AND MANAGEMENT ASSESSMENT REQUIREMENTS, dated 8-1-96.
- b. DOE P 450.5, LINE ENVIRONMENT, SAFETY, AND HEALTH OVERSIGHT, dated 6-26-97.
- c. NV M 111.XA, FUNCTIONS, RESPONSIBILITIES, AND AUTHORITIES MANUAL.
- d. DOE-STD-1063-2000, *Facility Representatives*.

7. DEFINITIONS.

- a. Assessment. A planned and documented review, evaluation, inspection, audit, surveillance documenting whether items, processes, systems or services meet specified requirements and whether the assessed organization is adequately performing assigned work. Assessments are performed utilizing defined criteria developed by the Assessor.
- b. Assigned Work Scope. A scope of work performed by a contractor/user organization that necessitates DOE/NV oversight to ensure the safe performance, quality, acceptability, etc. The breadth of the work scope is defined by the responsible DOE/NV organizational element.

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- c. Contractor/User. Any entity, under contract, subcontract, or agreement with DOE, performing activities in connection with any facility, laboratory, or program under DOE/NV purview.
- d. Corrective Action. A formal action taken in response to a finding with a RAV greater than or equal to 100 that will resolve and prevent recurrence of the finding. This definition is also applicable to findings identified by external organizations and those deemed necessary by a Division Director.
- e. Finding. A documented condition of performance: positive, negative, or neutral.
- f. Hazard. A source of danger (i.e., material, energy source, or operation) with the potential to cause illness, injury, or death to personnel or damage to a facility or to the environment (without regard to the likelihood or credibility of accident scenarios or consequence mitigation).
- g. Operational Awareness. Ongoing activities and information gathering which enables an oversight organization to know how well the performing organization is meeting expectations. Sources of information include defined work scope, cost, schedule, deliverables, authorization basis documentation, daily work control activities, contractor self-assessments, occurrence reports, lessons learned, DOE/NV or other assessment results, etc.
- h. Oversight. Monitoring of a contractor/user organization's performance to ensure fulfillment of the overseeing organization's requirements and expectations.
- i. Assessors. Term used to identify the AM, Deputy AM, Division Director, Program/Project Manager, Task Manager, Functional Manager, Facility Representative, or subject matter expert who performs walk-throughs, validation, or assessments. Functional Managers and Facility Representatives shall be excluded from overseeing financial aspects of their assigned work scopes. However, Functional Managers shall evaluate "balanced priorities" using a graded approach.

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- j. Risk. Refers to all potential adverse conditions defined as a product of probability and consequence, but not necessarily in quantitative terms.
 - k. Self-Assessment. A planned and documented evaluation to determine the acceptability of one's own work performance (individual or organizational) using one's own assessment criteria.
 - l. Validation. A planned and documented independent evaluation of the data and facts provided by a contractor/user self-assessment.
 - m. Verification. A planned and documented evaluation to determine that a corrective action has been implemented as planned.
 - n. Walk-Through. A documented on-site observation by an Assessor to check facility/operational conditions.
8. CONTACT. Questions concerning this chapter shall be addressed to OAMTS.

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CHAPTER III

BUSINESS MANAGEMENT OVERSIGHT PROCESS

1. OBJECTIVE. BMOP is the DOE and DOE/NV process for overseeing business management functions. It is generally intended to meet federal stewardship responsibilities without other oversight activities. Its application at DOE/NV provides an input to the incentive/awards fee process used to compensate Performance-Based Management contractors (Contractors). This chapter establishes specific responsibilities and a schedule to facilitate DOE/HQ oversight of DOE/NV and the DOE/NV oversight of contractor activities.

2. CANCELLATION. None.

3. APPLICABILITY.

- a. DOE/NV Elements.

This chapter applies to all DOE/NV management and staff personnel engaged in overseeing all business work performed under DOE/NV's purview.

These processes apply to two levels of oversight:

- (1) DOE/HQ oversight of the DOE/NV.
- (2) DOE/NV oversight of its contractor.

NOTE: This does not apply to the Yucca Mountain Site Characterization Office (YMSCO) or its contractors. The DOE/NV Memorandum of Agreement with YMSCO says that YMSCO is responsible for implementing the BMOP for its own functions.

- b. Contractors. The requirements of this chapter shall be applicable to all DOE/NV contractors as set forth in the Contractor Requirements Document, Attachment 1.
4. REQUIREMENTS. Partnership and communication form the foundation of the BMOP.

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- a. Performance Objectives, Measures, and Expectations (POME) and methods of demonstrating performance shall be developed through partnering where optimally mutual agreement is reached between DOE/NV business management functional offices and DOE/HQ and contractor counterparts.
- b. Communications pertaining to performance and self-assessment shall be expected to become more frequent, open, and candid. In turn, awareness and mutual respect for each party's responsibilities and operating environment shall increase and foster understanding and trust which shall provide for a more effective working relationship.
- c. The five primary elements and steps of the BMOP are:
 - Advance written agreement (paragraph 10),
 - Alignment (paragraph 11),
 - Operational awareness (paragraph 12),
 - Annual assessment (paragraph 13), and
 - On-site reviews (paragraph 14).

5. RESPONSIBILITIES.

- a. Assistant Managers. As BMOP Senior Managers for their cognizant areas-- ensure that the BMOP achieves its purpose and that BMOP functional objectives shall be aligned with other current DOE/NV management objectives. Concur on the BMOP functional area annual agreements and assessments. Approve any on-site reviews of the contractor.
- b. Assistant Manager for Business and Financial Services (AMBFS). Ensures that the BMOP is integrated with other DOE/NV management activities.
- c. Division Directors (and Equivalents). As BMOP Functional Managers for their cognizant areas--
 - (1) Develop and maintain a current, written advance agreement (Agreement) with their functional counterparts (both DOE/HQ and contractor).

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- (2) Gather appropriate data on federal performance and maintain Operational Awareness of contractor performance.
 - (3) Assess the level of achievement of federal and/or contractor performance and improvement activities through Operational Awareness; self-assessment; and when appropriate, on-site reviews.
 - (4) Partner with the contractor to prepare (and sign) the annual Joint-Assessment Report and/or prepare (and sign) an annual Self-Assessment Report on federal operations.
 - (5) Coordinate in advance any on-site reviews with the BMOP Coordinator.
- d. Director, Contracts Management Division (CMD). Oversees the BMOP program and integrates it with the contractor award fee process. Comments on requests for all on-site reviews (except regulatory reviews) of the contractor. In turn, comments on such review reports, where appropriate, as they are being transmitted.
- e. BMOP Coordinator. A position within CMD that manages and maintains overall coordination of BMOP activities including:
- (1) Developing DOE/NV guidance.
 - (2) Advising Functional and Senior Managers.
 - (3) Monitoring activities within DOE/NV and coordinating with DOE/HQ and contractor counterparts.
 - (4) Commenting on requests for For-Cause reviews of the contractor and serving in a consultant role on any related review teams.

6. REFERENCES.

- a. DOE O 224.1, CONTRACTOR PERFORMANCE-BASED BUSINESS MANAGEMENT PROCESS, dated 12-8-97.
- b. Secretary of Energy letter, Performance-Based Oversight of Business Management Functions at Field Federal Activities, dated 12-8-98.

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- c. In addition, some DOE/HQ offices have provided written direction for their oversight of certain functions. In the event this manual conflicts with such DOE/HQ oversight direction or practice, the DOE/HQ approach prevails.
- 7. CONTACT. Questions concerning this chapter shall be addressed to the BMOP Coordinator.
- 8. DEFINITIONS.
 - a. Agreement. A document that delineates, in advance, the understanding of counterpart DOE/HQ and DOE/NV functional offices or that of counterpart DOE/NV and contractor functional offices regarding the performing office's POMEs; methods of demonstrating performance; reporting requirements; and other agreed upon matters.
 - b. Business Management Functional Organization. An organization that performs a business management function in support of program and/or project operations (see Attachment 2).
 - c. Concern. A documented condition of substandard performance worthy of management's attention.
 - d. Contractor. DOE/NV Performance-Based Management contractor.
 - e. Functional Manager. Manager-level individual most directly responsible for a business management function (in DOE/NV this is at the Division Director or higher level).
 - f. For-Cause Review. Review of performing office operations as a result of the identification of significant problems or adverse trends requiring immediate intervention by the oversight office to protect the government's interest.
 - g. Joint-Assessment. An annual assessment of contractor performance prepared by both the contractor and DOE/NV Functional Managers.
 - h. On-Site Review. Multiple-day, on-site assessment in which a team gathers original information on the performing organization's activities and prepares a

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written report of findings. These shall be limited to For-Cause Reviews and Regulatory Reviews. Does not refer to brief, site visits as part of Operational Awareness.

- i. Operational Awareness. Ongoing activities and information gathering which enable an oversight organization to know how well the performing organization is meeting expectations. The specific activities which constitute Operational Awareness shall be specified in the Agreement.
- j. Oversight. Monitoring a contractor/user organization's performance to ensure fulfillment of the overseeing organization's requirements and expectations.
- k. Performance Expectation. The desired condition, accomplishment, or target level of performance.
- l. Performance Measure. A quantitative or qualitative method for characterizing performance.
- m. Performance Objective. A desired outcome for a function or activity.
- n. Performance Result. The actual condition, accomplishment, or level of performance achieved.
- o. Program Organizations. Organizations that directly accomplish funded DOE/NV missions or projects.
- p. Regulatory Review. A functional, or subfunctional, On-Site Review specifically required by statute or congressional direction. This includes independent and external oversight by the Office of Oversight, the IG, the General Accounting Office, the Defense Nuclear Facilities Safety Board, and the Defense Contract Audit Agency.
- q. Self-Assessment. A planned and documented evaluation of one's own work performance (individual or organizational).
- r. Senior Manager. Supervisor of Functional Managers (in DOE/NV, this is at the AM level).

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- s. Validation. A planned and documented independent evaluation of the data and facts provided by a self-assessment.
 - t. Verification. A planned and documented evaluation to determine that a corrective action has been implemented as planned.
9. GENERAL OVERVIEW OF THE PROCESS. Attachment 2, DOE/NV Annual BMOP Cycle, depicts the overall annual cycle of major activities and milestones.
10. DEVELOPING AND UPDATING AGREEMENTS.
- a. General. Agreements are the foundation for a successful, value-added BMOP. Each year, BMOP functional offices at DOE/NV participate in preparing Agreements with their DOE/HQ and contractor counterparts (unless the DOE/HQ office formally declines to participate). The Agreements shall clearly document, at the outset of the year, the expectations for the performing organization for the year. The Agreement's value is in documenting the joint expectations of both parties. While the overseeing organization has the greater responsibility for developing the Agreement, it is in the performing organization's interest to see that its priorities shall be adequately addressed and that consideration is given to resource limitations and other constraints on performance. The performing organization shall also strive to obtain Agreement on the extent that major accomplishments need to be documented to show its overall competence.
 - b. Components and Format. Each function is different--with a different mix of compliance, quality, and output objectives; so there is no prescribed format. However, there are some elements that shall be included in all Agreements.
 - (1) Agreements with both DOE/HQ and the contractor shall contain the four basic subjects shown in Attachment 4, Advance Agreement Checklist (Checklist).
 - (2) Agreements with DOE/HQ shall specifically state when the field function shall submit its self-assessment to DOE/HQ, usually after the first quarter of the next fiscal year as part of the DOE/NV annual assessment scheduled by the DOE/HQ.

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- (3) Agreements with the contractor shall specifically require submission of the annual, draft joint-assessment to DOE/NV by the end of July--addressing overall performance for the first three quarters of the fiscal year. This is scheduled to minimize year-end workloads for both DOE/NV and the contractor; however, the evaluation is to project performance for the full fiscal year based on the data to date.
- (4) To confirm or amend the fiscal year projections of the joint-assessment, Agreements with the contractor shall also call for a status report at the end of the year showing actual performance data for the full fiscal year.

c. Using the Agreement Checklist.

- (1) The Checklist (Attachment 4) shall be used each year by the DOE/NV Functional Managers to evaluate the current adequacy of their proposed Agreements (and is to be submitted to the coordinator with a copy of the Agreement).
- (2) The Checklist organizes the most common information needed into four major categories. The Agreements shall clearly address these four major items, even though not necessarily organized the same as in the Checklist. The subitems shall be addressed to the extent they shall be deemed beneficial.
- (3) The other questions on the Checklist shall be for evaluating the usefulness of the Agreements, to see if management expectations shall be effectively brought together into one document useful to both organizations involved, and to help the BMOP Coordinator know how the process is working.

d. Types of POMEs. POMEs shall ensure that both short-term and long-term management interests shall be addressed. This is done by having performance measures which address both output achievements and process quality.

- (1) Output measures address milestones and/or end-of-process accomplishments and primarily reflect changing, short-term management

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initiatives, or priorities. They shall be the normal focus of program or project activities and also apply to the development or implementation of new processes or systems for support functions.

- (2) Qualitative process indicators address performance level and shall be the major focus of support functions since they may be trended to show changes over time or benchmarked for comparison with other organizations.
 - (3) Furthermore, measures addressing certain objectives shall help sustain a high level of performance from year to year. These objectives are customer satisfaction, a good learning environment, cost efficiency, and process improvement.
- e. Basis for Measures. Qualitative indicators shall be consistent with commercial/industry measures for similar activities, if available. (The "DOE/NV Necessary and Sufficient Work Breakdown Structure Documentation Files Documentation--Volume 3" suggests some measures as a starting point.)
- f. Levels of Expectations. Each performance measure shall be defined in the Agreement at one or more specific level.
- (1) Expectation. Performance at or above this level is acceptable. All measures shall be defined at this level.
 - (2) Needs Improvement. This level is not usually specified, but is understood as automatically any performance below the "Expectation" level. This is generally not acceptable and shall be justified on the basis of extenuating circumstances; action shall be identified to improve performance in the near future; or the level of expectation may need adjustment.
 - (3) Exceeds Expectations. Performance significantly above the "Expectation" level (clearly above the range of normal performance). This level is **normally not defined** for an individual support function measure unless it significantly contributes to improved efficiency and effectiveness of the overall performing organization (clearly a net added-value to overall DOE/NV interests).

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g. Ensuring Compliance. A method for validating compliance shall be clearly identified. One way to ensure compliance within the BMOP guidelines is for the overseeing organization to develop a “checklist” of compliance requirements and decide how often these criteria need to be reviewed. Then the performing organization uses part of that checklist (i.e. one third) each year to assess itself so that the entire checklist is covered in the time frame desired by the overseeing organization. Results of each compliance self-assessment shall be reported to the overseeing organization either soon after completion of the assessment or as part of the annual self-assessment report. In turn, the overseeing organization validates the results by verifying a sample of the performing organization’s assessment work through Operational Awareness. As long as the performance and the self-assessment (with planned corrective actions) are acceptable, the process continues. If either becomes unacceptable the oversight organization takes appropriate action to help the performing organization make necessary process improvements and conduct valid self-assessments.

h. Target Schedule.

- (1) By September 30, each year DOE/NV Functional Managers shall finalize Agreements with DOE/HQ for the next fiscal year, including concurrence by both Senior Managers. By October 10 these Agreements, along with completed Checklists signed by the DOE/NV Senior Managers, shall be sent to the DOE/NV BMOP Coordinator.
- (2) By October 31, DOE/NV Functional Managers shall finalize Agreements with the contractor, including concurrence by both Senior Managers. By November 10, these Agreements, along with completed Checklists signed by the DOE/NV Senior Managers, shall be sent to the BMOP Coordinator.
- (3) If these target dates can not be met--before the dates arrive the DOE/NV Functional Manager, through their Senior Manager, notifies the BMOP Coordinator in writing that the due date can not be met and state when the action shall be completed.
- (4) Within 10 days of the Agreement due date, the BMOP Coordinator shall send the AMBFS a list of functions that have submitted current Agreements. The status of outstanding Agreements shall be reported until all are completed.

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11. ALIGNING EXPECTATIONS.

- a. General. To ensure consistent management focus on priorities, the BMOP Functional Managers shall ensure that the BMOP performance expectations shall be aligned with strategic plans, multiyear plans, and operational plans and budgets.
- b. Adjusting Agreement. When plans or circumstances addressed in an Agreement change, Functional Managers shall notify their counterpart and work out a revision of the Agreement. A copy of each revised Agreement shall be sent to the BMOP Coordinator, through the cognizant AM or Deputy Manager, within 10 days of approval.
- c. Informing Employees. Upon approval of an Agreement, the DOE/NV or contractor Functional Manager responsible for performing to the Agreement, shall inform appropriate employees and ensure consistent management focus on priorities during the performance period.

12. MAINTAINING OPERATIONAL AWARENESS. Based on a partnering relationship, the overseeing organization maintains awareness of the performing organization's accomplishments and progress throughout the year based on reports, conversations, and other communications and interactions identified in the Agreement (see Chapter II).

- a. Demonstrating Performance.
 - (1) Throughout the year, the DOE/NV and contractor performing offices shall gather performance data, monitor performance, and demonstrate their ability to achieve results, as well as control and improve business management processes.
 - (2) Qualitative performance may be demonstrated through output reports, survey results, and comparing performance with benchmarking data.
 - (3) Process improvements may be demonstrated through data trending; corrective action reports; and special assessments (such as by internal review teams, external reviews, and/or Malcolm Baldrige Quality Award self-assessments).

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- b. Establishing Oversight Awareness Mechanisms. DOE/HQ and DOE/NV oversight offices maintain Operational Awareness of performance against the agreed upon expectations through previously agreed feedback mechanisms.
 - (1) These generally consist of partnering or liaison meetings, telephone calls, and also routine reports or other communications from the contractor to DOE/NV and from DOE/NV to DOE/HQ.
 - (2) They may also include other interactions and gathering of operational information such as from walk-throughs; brief, on-site data-validating visits and reviews; unusual occurrence reports; requests for information related to specific situations or problems; and review of external evaluations.
 - (3) Factors influencing the degree and/or methods of Operational Awareness include the nature of the work and the past performance of the organization.
- c. Reporting, Tracking, and Closeout of Concerns. Any significant deficiencies that shall be identified as a result of operational awareness shall be reported to the performing organization and tracked and closed out as discussed in 14e below.

13. CONDUCTING AND REPORTING ANNUAL SELF-ASSESSMENTS.

- a. General. A key element of self-accountability is the annual self-assessment. It is the performing Manager's formal means of recapping major accomplishments and addressing the circumstances that impact performance. In turn, it is the oversight organization's means of knowing the overall performance of the function against its expectations without a comprehensive, on-site review. To be effective for both levels of management, annual self-assessments shall factually and candidly address the areas of performance most important to senior management. Normally these areas shall be identified in the Agreements; however, when circumstances change or other significant matters arise, the self-assessment shall be expanded accordingly (and future expectations adjusted, if appropriate).
- b. DOE/NV and Contractor Joint-Assessment. In the spirit of partnering, the annual DOE/NV contractor assessment starts as a self-assessment and ends as a Joint-Assessment Report.

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- (1) Contractor Self-Assessment. In July, each contractor function or subfunction office prepares an open and candid assessment report on their performance for the first three quarters of the fiscal year. This self-assessment contains the contractor's performance results; performance and/or process improvements; compliance self-assessment results; planned changes and/or corrective actions; areas where issues of concern exist; other information identified in the Agreement; and other information which shall help show how well the contractor is managing the function. The draft report submitted to the corresponding DOE/NV Functional Manager (with a copy to the BMOP Coordinator) by July 31 for review, revision, validation, and co-signature.
- (2) Report Format. The best report format is one that best meets the needs of both the performing and overseeing offices. As a minimum the report needs the following:
 - (a) Heading. That identifies it as a DOE/NV and contractor BMOP Joint-Assessment Report for a specific function and period.
 - (b) Executive Summary. That provides background on the basis or scope of the assessment; unusual circumstances affecting performance, if any; and gives highlights from the chapters that follow which shall be of interest to senior management including a statement on the status of compliance and the soundness of any key business systems. Also addresses any other major accomplishments or improvements that reflect how well the subject is being managed. The Executive Summary shall have the following major side captions:
 - Summary
 - Areas of Excellence
 - Areas of Concern and Corrective Action
 - (c) Under "Areas of Concern and Corrective Action" the following needs to be addressed:
 - 1 For each area of concern give the measurement of associated risks (see Appendix C) and the corrective action plan.

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- 2 Follow-up and closeout on areas of concern open in the prior year's report. Address what was done or still needs to be done to close out the concern and, if considered closed, give a date the concern was closed.
 - (d) Performance Detail. Giving the results on each expectation. It is also to include a recap of the performance analysis including brief, supporting information and references to backup documentation; and if applicable, discuss barriers, improvement plans and/or recommended changes in objectives, measures, or expectations. Other major accomplishments shall be addressed if needed to show the high level of performance for the period.
 - (e) Management and/or Procedural Improvements. Made or needed.
 - (f) Interface Issues. Including those between DOE/NV and the contractor, or between contractor functions, that may impede the performance of this function.
 - (g) Signature lines (and titles) for both the performing and overseeing Functional Managers and their Senior Managers.
 - (3) DOE/NV Input. In August, the DOE/NV Functional Manager reviews the contractor's draft joint-assessment, discusses it with the contractor, and both work together to finalize and sign an accurate and complete Joint-Assessment Report for the fiscal year to date. If there are major differences between the contractor and the DOE/NV view of reported facts or analysis, they shall both be documented in the report. (This in turn shall result in consideration of improved or enhanced performance measures or information gathering methods for subsequent Operational Awareness.) The final report shall be co-signed by both Functional Managers, with the concurrence of both Senior Managers, by August 31.
 - (4) Review Documentation. As evidence of DOE/NV's input to the joint-assessment, Functional Managers shall prepare a memo to the file recapping their review activities, additions and/or findings, and impacts. Findings or issues discussed in the report do not need elaboration.

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Appropriate supporting documentation shall be attached to the memo. This review memo shall be filed with the DOE/NV functional office's official files.

- (5) Signatures. Unless otherwise noted in the report, all the signatures represent concurrence with all facts, opinions, conclusions, recommendations, and improvement actions or plans in the report. The Joint-Assessment Report shall be filed with the DOE/NV functional office's official files.
- (6) Notification of BMOP Coordinator. By September 10, the DOE/NV Functional Managers submit a copy of their review memos (without supporting documentation) and Joint-Assessment Reports to the BMOP Coordinator as evidence of the completed process.
- (7) Fiscal Year Update/Revision of Report. The Joint-Assessment Report addresses performance for the first three-quarters of the fiscal year in anticipation that it shall represent the actual performance for the full year. After close of the fiscal year, each contractor Functional Manager sends their DOE/NV counterpart a status report or spreadsheet showing key performance data for the full fiscal year. This is accompanied by either 1) a signed statement that the Joint-Assessment Report appropriately reflects performance for the full fiscal year, or 2) a draft revision to the Joint-Assessment Report. The DOE/NV Functional Manager files a confirming statement with the Joint-Assessment Report. Otherwise, upon receiving a draft revision to the report, the DOE/NV Functional Manager shall have the report revised, re-signed, filed, and a copy sent to the BMOP Coordinator within 2 weeks.
- (8) Linking to Contractor Award Fee Evaluation Report. The Joint-Assessment Report shall document the contractor's performance against key expectations, which is to be utilized, as appropriate, for input to the contractor's annual award fee evaluation. However, to the extent possible, performance data shall also be gathered throughout the year by Operational Awareness and provided as timely information in the monthly and quarterly contractor evaluations by Senior Management.

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- c. DOE/NV Self-Assessment. In January each year the DOE/NV Manager shall send DOE/HQ a package of Self-Assessment Reports which addresses DOE/NV's performance in each BMOP functional area during the prior fiscal year.

(1) Preparing Functional Area Self-Assessment Reports.

- (a) By November 15, the DOE/NV BMOP Functional Manager responsible for each BMOP function (see Attachment 3) prepares a candid Self-Assessment Report on each functional area for the prior fiscal year. In addition to a hard copy, an electronic copy shall be prepared containing the report and all graphics and attachments in one WordPerfect file. Senior Managers shall sign and forward the assessment report by December 20
- (b) There is no prescribed format for the function Self-Assessment Reports. They shall contain the function's performance results; performance and/or process improvements; compliance self-assessments; planned changes and/or corrective actions; and other information identified in the Agreement and/or which shall help to demonstrate how well DOE/NV is managing and performing the function.
- (c) As a minimum, each report shall have an Executive Summary aimed at giving DOE/NV or DOE/HQ senior management an overview of the report. The Executive Summary shall contain the following (or similar) major side captions:
- Summary (including the basis or scope of the assessment)
 - Areas of Excellence
 - Areas of Concern and Corrective Action
- (d) Under "Areas of Concern and Corrective Action" the following shall be addressed:
- 1 For each area of concern give the measurement of associated risks (see Appendix C) and the corrective action plan.

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- 2 Follow-up and closeout on areas of concern open in the prior year's report. Address what was done or still needs to be done to closeout the concern and, if considered closed, give a date the concern was closed.
 - (e) The function Self-Assessment Reports shall be submitted to the cognizant Senior Manager for review and approval. The signed hard copy and corresponding electronic copy shall be forwarded to the BMOP Coordinator by December 31.
 - (f) In the event a HQ function office requests that a Self-Assessment Report be sent directly to them on an earlier schedule, the DOE/NV Functional Manager shall send the coordinator a paper copy and an electronic copy of the report along with a copy of the transmittal memo showing to whom the original report was sent.
- (2) Compiling and Submitting Reports to DOE/HQ. The BMOP annual Self-Assessment Reports shall generally be compiled into one package and sent to DOE/HQ for distribution to the appropriate DOE/HQ function and program offices, as follows:
 - (a) By January 10, the DOE/NV BMOP Coordinator shall compile an Executive Summary of all the function reports and prepare a letter from the DOE/NV Manager transmitting the reports to DOE/HQ.
 - (b) By January 15, the BMOP Coordinator shall mail the signed package (containing all the individual function Self-Assessment Reports) and e-mail an electronic copy to the DOE/HQ BMOP Coordinator.
- d. Tracking and Closeout of Concerns.

Performance concerns reported in the annual self-assessments (contractor or DOE) shall be categorized according to risk (see Appendix C) and entered into the OTS (see Appendix D) by the DOE/NV Functional Manager within 30 days of signing the report. In turn, the Functional Manager shall follow-up and verify the adequacy of the corrective action and ensure timely closeout of the concern. Concerns shall be closed at the time corrective action is taken or when the annual self-assessment report states it is closed.

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14. HOSTING OR CONDUCTING ON-SITE REVIEWS.

- a. General. DOE oversight offices shall reward performing offices that meet agreed upon expectations and show responsible management by conducting reduced or no On-Site Reviews. On-Site Reviews refers to multiple-day, on site assessments in which an oversight team gathers original information on the performing organization's activities and prepares a written report. It does not refer to brief, site visits (such as surveillances) to observe conditions or validate and/or verify information submitted by the performing organization as part of BMOP Operational Awareness.
- b. For-Cause Reviews. DOE oversight offices shall conduct an on-site For-Cause Review whenever there is a reasonable belief that significant problems or adverse trends exist in a performing function which require timely action by the oversight organization to protect the government's interests. The review is generally limited to the specific area of concern. It requires BMOP Coordination as discussed below.

- c. Regulatory Reviews.

Regulatory oversight and/or system certification requirements shall normally be accomplished by having the performing organization assess its own systems and processes over the required regulatory period as a type of "compliance checklist review" and reporting the results to the overseeing office. This may be followed by the overseeing office verifying the report by conducting limited, on-site validating activities as part of its Operational Awareness.

When necessary for DOE/NV to approve a new system or conduct a Regulatory Review, such should be arranged for by the DOE/NV functional office as part of the annual joint-assessment, when feasible, and should generally be no more than 2 weeks in duration every 2-4 years (depending on the frequency called for in the regulatory requirements).

- d. Coordination. All On-Site Reviews except Regulatory Reviews require the following coordination:

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- (1) Review of the Contractor.
 - (a) The Functional Manager, upon identifying the need for the On-Site Review, shall submit a written request for approval to his/her Senior Manager, routed through the coordinator for information and comment. This shall specifically address the problem or situation prompting the review, its timeliness, and the urgency or significance of taking special action outside the planned BMOP activities. It shall explain the need for DOE/NV to intervene by conducting the review rather than obtaining the needed information from contractor self-assessment efforts validated through Operational Awareness activities. In addition, it shall outline the methodology and scope of information and/or activities to be reviewed.
 - (b) Upon approval of the review request, the Functional Manager shall proceed with a standard, formal review process, including a formal letter from the cognizant AM to the contractor Manager. This letter shall be routed through the CMD Director for information and comment.
 - (c) The coordinator shall be consulted by the responsible Manager or Team Leader regarding: 1) team training and advice; 2) observing review processes; 3) reviewing findings and draft reports for factuality, validity, and constructive recommendations; and 4) other qualitative aspects, when appropriate. The Team Leader shall arrange for the coordinator to meet with the team prior to any review activity for training and advice. The Team Leader shall provide the coordinator the schedule of team meetings, keep him/her informed in advance of changes in plans, and let him/her know if there are any specific review activities on which he can provide additional input.
 - (d) The results of these reviews shall be identified in a written report sent by formal letter from the cognizant AM to the contractor Manager. Draft reports shall be reviewed by the coordinator prior to review by contractor employees, and the CMD Director shall be in the review chain on the formal report transmittal letter.

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- (e) If contractor management wishes to challenge the need for an On-Site Review, they shall submit a written memo to the DOE/NV Manager through the CMD Director.
- (2) DOE/HQ Reviews.
 - (a) The DOE/HQ BMOP Coordinator is to arrange for all DOE/HQ On-Site Reviews at field offices through the Field Office Coordinators. If DOE/NV Functional Managers hear of a potential DOE/HQ functional office On-Site Review from a source other than the DOE/NV Coordinator, they shall promptly notify the DOE/NV Coordinator of the review and its apparent intent. The DOE/NV Coordinator shall notify the DOE/HQ Coordinator.
 - (b) The DOE/NV Coordinator shall normally arrange for working space and equipment needed by the DOE/HQ review team, arrange for entrance and exit conferences, and keep impacted Functional Managers informed of the review team's plans and/or progress.
 - (c) The Functional Managers respond directly to review team requests for functional area documents, interviews, etc., and findings in their functional areas. Corrective action plans shall be addressed in subsequent performance monitoring, Operational Awareness, and self-assessment activities, as appropriate.
- e. Tracking and Closeout of Concerns. Concerns identified during operational awareness or reported in On-Site Review reports by DOE/HQ or DOE/NV (including regulatory or for-cause) shall be categorized according to risk (see Appendix C) and entered into the OTS (see Appendix D) by the DOE/NV Functional Manager within 30 days. In turn, the DOE/NV Functional Manager shall follow-up and verify the adequacy of contractor corrective actions and ensure timely closeout of all concerns. Closeout shall be documented by a written statement signed by the DOE/NV Functional Manager that adequate action has been taken, explaining the action taken, if any, and the date the concern was considered closed. Concerns may be closed at the time corrective action is taken or in the annual self-assessment report.

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CONTRACTOR REQUIREMENTS DOCUMENT

1. For the Business Management Oversight Program, Performance-Based Management contractors shall:
 - a. Participate in the development of annual performance Agreements including Performance Objectives, Measures, and Expectations; documentation and reporting requirements; and other actions requiring agreement.
 - b. Keep appropriate DOE Nevada Operations Office (DOE/NV) Functional Managers informed by maintaining performance data and other operation information, and by openly reporting progress and problems as set forth in the annual performance Agreements; and by providing information or access to information for DOE/NV upon request.
 - c. Work with DOE/NV Functional Managers to jointly prepare open and candid annual assessment reports on contractor performance and other areas where issues of concern exist, as required by this Directive.
2. For the DOE/NV Oversight Program, DOE/NV contractors and user organizations shall:
 - a. Provide a schedule of assessments, including Internal Management Assessments and Independent Assessments, in writing, e-mail, database access, or web site.
 - b. Provide copies of internal appropriate Management Assessment and Independent Assessment documentation to DOE/NV line management, as requested, to ensure that DOE/NV has adequate information to perform its line management oversight function.

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Page 1

DOE NEVADA OPERATIONS OFFICE (DOE/NV) BUSINESS MANAGEMENT OVERSIGHT PROGRAM (BMOP) PROCESS FUNCTIONS

| <u>DOE/NV ORGANIZATION</u> | <u>DOE HEADQUARTERS (DOE/HQ) OVERSIGHT OF DOE/NV</u> | <u>DOE/NV OVERSIGHT OF BECHTEL NEVADA</u> |
|---|---|---|
| Office of Quality Leadership and Diversity | Diversity | Not Applicable (N/A) |
| Office of Public Affairs and Information | Classification/ Declassification Coordination and Information Center Library Scientific and Technical Information | Classification/ Declassification Freedom of Information Act Library Scientific and Technical Information |
| Chief Financial Office (CFO) | Finance and Budget | CFO Project Controls |
| Contracts Management Division | Procurement Work-for-Others | Procurement Work-for-Others |
| Communication Services Division | Information Management Mail and Printing/ Reproduction Records Management | Information Services Communications and Electronics |
| Human Resources Division | Human Resources (Federal) Human Resources (Contractor) Worker Transition | Human Resources Risk Management Labor Relations |

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DOE/NV BMOP PROCESS FUNCTIONS
(Continued)

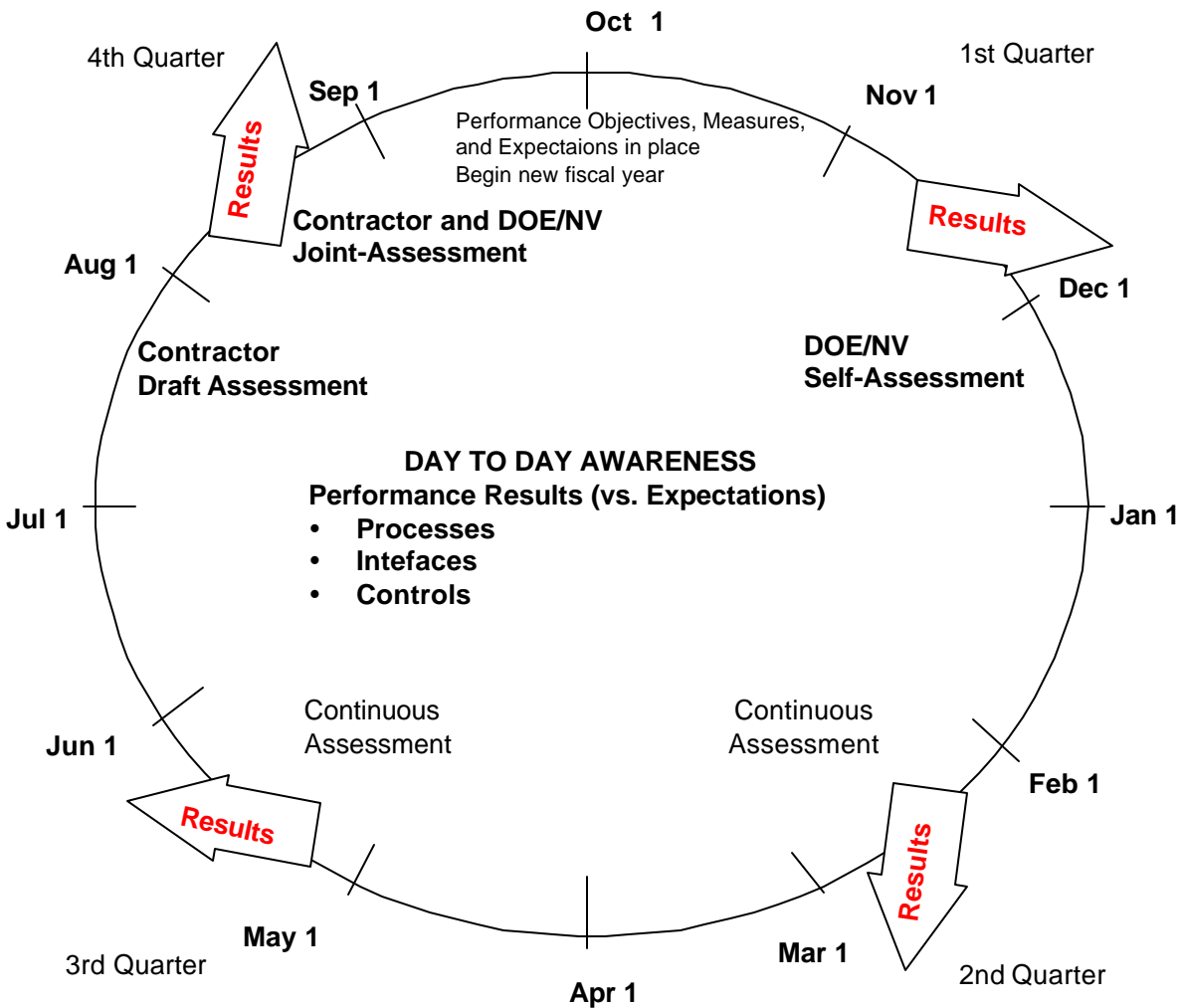
| <u>DOE/NV ORGANIZATION</u> | DOE HEADQUARTERS (DOE/HQ) OVERSIGHT OF <u>DOE/NV</u> | DOE/NV OVERSIGHT OF <u>BECHTEL NEVADA</u> |
|--|---|--|
| Engineering & Asset Management Division | Personal Property Life Cycle Asset Management (LCAM) Energy Management | Property LCAM Energy Management |
| Emergency Management Division | Emergency Management | N/A |
| Safeguards & Security Division | Safeguards and Security | N/A |

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DOE/NV ANNUAL BMOP CYCLE



DOE NEVADA OPERATIONS OFFICE (DOE/NV)
SUMMARY OF BUSINESS MANAGEMENT OVERSIGHT PROGRAM (BMOP) DUE DATES

| SUBJECT | <u>ACTION</u> | <u>BY</u> | <u>DUE NO LATER THAN</u> |
|--|----------------------|---------------------|---------------------------------|
| 1. Contractor draft Joint-Assessment Reports | Received | Functional Managers | July 31 |
| 2. DOE/NV-Contractor Joint-Assessment Reports | Signed | Senior Managers | August 31 |
| 3. Copies of Joint-Assessment Reports | Sent to Coordinator | Functional Managers | September 10 |
| 4. Update DOE/NV-DOE/HQ Agreements | Signed | Senior Managers | September 30 |
| 5. Copies of Updated DOE/NV-DOE/HQ Agreements and Checklists | Sent to Coordinator | Functional Managers | October 10 |
| 6. Update DOE/NV-Contractor Agreements | Signed | Senior Managers | October 31 |
| 7. Copies of Updated DOE/NV-Contractor Agreements and Checklists | Sent to Coordinator | Functional Managers | November 10 |
| 8. DOE/NV Self-Assessment Reports | Signed | Senior Managers | December 20 |
| 9. DOE/NV Self-Assessment Reports and E-Mail Copies | Sent to Coordinator | Functional Managers | December 31 |

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DOE/NV SUMMARY OF BMOP DUE DATES
(Continued)

| SUBJECT | <u>ACTION</u> | <u>BY</u> | <u>DUE NO LATER THAN</u> |
|--|-------------------------------|------------------|---------------------------------|
| 10. DOE/NV Self-Assessment Package | Sent to Manager for Signature | Coordinator | January 10 |
| 11. DOE/NV Self-Assessment Package and E-Mail Copies | Sent to DOE/HQ | Coordinator | January 15 |

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**DOE/NV SUMMARY OF BMOP DUE DATES
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NOTE: In addition, Functional Managers shall report to the contractor significant accomplishments and/or areas needing improvement to the Senior Managers for their monthly and quarterly performance discussions with the contractor, and for the Semiannual Award Fee Report.

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DOE NEVADA OPERATIONS OFFICE (DOE/NV) BUSINESS MANAGEMENT OVERSIGHT PROGRAM (BMOP) PROCESS ADVANCE AGREEMENT CHECKLIST

Function: _____

Performing Organization: _____

Functional Manager completing this checklist: _____

Title and date of your agreement document: _____
(After answering the following questions, **please explain "No" responses on the back.**)

A. Does the document address the following--

1. Performance objectives, measures, and expectations--
 - a. That support the DOE/NV strategic plan and annual objectives? Yes___ NA___ No___
 - b. That are balanced for long-term success? Yes___ NA___ No___
 - c. That identify key minimum levels of compliance? Yes___ NA___ No___
 - d. That give dates, quantities, and/or costs for deliverables or outputs? Yes___ NA___ No___
 - e. That monitor level of quality and trend of ongoing performance? Yes___ NA___ No___
 - f. Each with comparative benchmark and baseline information? Yes___ NA___ No___
2. Assessment activities, including the frequency and method of--
 - a. Internal compliance checks/reviews (including Federal Manager's Financial Integrity Act? Yes___ NA___ No___
 - b. Customer and transaction surveys? Yes___ NA___ No___
 - c. Anticipated reviews from outside the function? Yes___ NA___ No___
 - d. Comprehensive self- or joint-assessments? Yes___ NA___ No___
 - e. Problem analysis and improvement action process? Yes___ NA___ No___
3. Operational awareness activities, including--
 - a. Periodic joint meetings and discussion of ongoing issues? Yes___ NA___ No___
 - b. Routine status reporting with methods, content, and schedule? Yes___ NA___ No___
 - c. Sharing of self-assessment reports and submission schedule? Yes___ NA___ No___
 - d. Sharing of other key internal and/or external reports? Yes___ NA___ No___
4. Your approval signature and your counterpart's signature? Yes___
No___

- B. Are all components of the document value-added? Yes___
No___

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DOE/NV BMOP PROCESS ADVANCE AGREEMENT CHECKLIST
(Continued)

- | | |
|--|-------------------|
| C. Is it the only document addressing joint management expectations specifically for this organizational function? | Yes____ No____ |
| D. Would following the agreement document provide adequate oversight? | Yes____ No____ |
| E. Have you met with your counterpart Manager and discussed your expectations of this organizational function as shown in the document specifically for this next fiscal year? | Yes____ No____ |
| F. Are you keeping a documented trail of performance against the document? | Yes____ No____ |

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Appendix A
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DOE NEVADA OPERATIONS OFFICE (DOE/NV) ASSESSMENTS AND FINDINGS DATA ENTRY FORM

"Unclassified Nonsensitive Data Only"

| | | | | | | | |
|---|--|-------------------|--|----------------------------|--|----------------------|--|
| 1. Title | | 2. Date Scheduled | | 3. Assessment Date | | 4. Assessor | |
| 5. Position Category | | 6. Site | | 7. Assessment Organization | | | |
| 8. Assessee | | 9. Assessee POC | | 10. Review Type | | 11. Function | |
| FINDING | | | | | | | |
| 12. Finding Description | | | | | | 13. Root Cause | |
| 14. Follow Up Yes <input type="checkbox"/> No <input type="checkbox"/> | | 15. RAV | | 16. Location | | 17. Closure Official | |
| | | | | | | 18. Closing Date | |
| 19. Comments | | | | | | | |
| 20. Closing Comments | | | | | | | |

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**INSTRUCTIONS FOR COMPLETING THE DOE/NV
ASSESSMENTS AND FINDINGS DATA ENTRY FORM**

Assessors shall complete the NV-113 Assessments and Findings Data Entry Form for all internal and external assessments relating to their assigned work scope. Findings of excellence, satisfactory, or substandard performance shall be recorded on these standard forms. There shall be a separate form required for each finding associated with the assessment. Upon completion of the forms, provide them to the pertinent Assistant Manager's Oversight Tracking System (OTS) Data Entry Coordinator. The Data Entry Coordinator shall enter information from the Form into the OTS. (See OTS data entry screen, Appendix D.)

Block 1--Title. Enter title or subject of assessment.

Block 2--Date Scheduled. Enter date the assessment was scheduled.

Block 3--Assessment Date. Enter actual date assessment was conducted.

Block 4--Assessor. Name of individual conducting the assessment.

Block 5--Position Category. Choose from the following:

| | |
|-----------------------|--------------------------|
| Admin Staff | Division/Office Director |
| External | Facility Representative |
| Functional Manager | Manager/AM |
| Other | Program/Project Manager |
| Subject Matter Expert | Task Manager |

Block 6--Site. Choose from the following:

| | |
|-------|-------|
| LAO | LO |
| NLV | NSF |
| NTS | Other |
| RSL-A | RSL-N |
| STL | |

Block 7--Assessment Organization. Name of assessor's organization.

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**INSTRUCTIONS FOR COMPLETING THE DOE/NV
ASSESSMENTS AND FINDINGS DATA ENTRY FORM**
(Continued)

Block 8--Assessee. Choose from the following:

| | |
|------------|----------|
| Alpha SVCS | ARL/SORD |
| BN | DoD |
| DOE | DOE/NV |
| DRI | DTRA |
| EPA | IT |
| JTO | LANL |
| LLNL | PAI |
| RAI | SCI |
| SLA | SNL |
| TRW | WSI |

Block 9--Assessee Point of Contact. Enter the name of the individual representing the Assessee during the assessment.

Block 10--Review Type. Choose from the following:

- Accident Investigation. Self Explanatory.
- Business Management Oversight Program (BMOP). DOE/NV assessments associated with work covered by BMOP.
- For Cause. Review of performing office operations as a result of the identification of significant problems or adverse trends requiring immediate intervention by the oversight office to protect the government's interests.
- Walk-Through. DOE/NV documentation of observations related to a nonstructured visit to an operation.
- Assessment. A DOE/NV planned and structured assessment of some aspect of a work scope.
- Validation. A planned and documented independent evaluation of the data and facts provided by a self-assessment.
- Self-Assessment. A planned and documented evaluation of one's own work performance (individual or organizational).
- External Assessment. Assessments derived from external entities (i.e., DOE/HQ, IG, GAO, etc.).

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**INSTRUCTIONS FOR COMPLETING THE DOE/NV
ASSESSMENTS AND FINDINGS DATA ENTRY FORM**
(Continued)

Block 11--Function. Choose from the following:

| | |
|---|------------------------------|
| Budget | Capital Construction |
| Classification/Declassification | Contracts & Procurement |
| Energy Management | Engineering & Tech Services |
| Environment | Facility Management |
| Finance | FOIA |
| Health | Human Resources (Contractor) |
| Human Resources (Federal) | Information Management |
| Infrastructure Management | Intelligence |
| ISM Template | Management Issues |
| NSF Support | Nuclear Explosive Safety |
| Occupational Safety Project Controls Template | |
| Public Affairs | Quality |
| Safeguards & Security | Test Readiness |
| Work for Others | |

NOTE: This field provides additional sort capability if needed. The items in the list can be changed or additional categories added through the OTS Administrator.

Block 12--Finding Description. Describe the finding in detail. List any references such as Codes of Federal Regulations, U.S. Department of Energy Regulations, etc.

Block 13--Root Cause. Choose from the following:

| | |
|---------------------|----------------------------|
| Design Problem | Equipment/Material Problem |
| External Phenomena | Management Problem |
| Personnel Error | Procedure Problem |
| Training Deficiency | |

Block 14--Follow Up. If a follow up is required, place an "x" in the Yes box. If no findings, place an "x" in the No box.

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**INSTRUCTIONS FOR COMPLETING THE DOE/NV
ASSESSMENTS AND FINDINGS DATA ENTRY FORM**
(Continued)

Block 15--Risk Assessment Value (RAV). Use the Risk Estimation Process (Appendix C) to arrive at RAV. If no findings, a RAV code of zero shall be assigned.

Block 16--Location. Enter the room number, Nevada Test Site area, cubicle number, post number, etc., to assist in identifying the exact site of the finding. This block may be used, if there are no findings, or may be left blank.

Block 17--Closure Official. Required for assessments with findings. For internal independent and management assessments, the Closure Official shall be the assessor's supervisor. Where the assessor is the Manager, closure shall be approved by the DOE/NV Management System Steering Panel. Each finding shall have a Closure Official's signature after corrective actions have been completed by the Assessee and verified by the Assessor. For external assessments, the Closure Official shall be determined by the Assessor.

Block 18--Closing Date. If there are adverse findings associated with this assessment, enter the date the finding was verified as closed. If there were no adverse findings, the date of the assessment shall be entered in this block.

Block 19--Comments. Enter any further comments pertaining to the assessment in this block.

Block 20--Closing Comments. Enter any comments pertaining to the follow up for verification of corrective actions to the finding. Refer to any documentation transmitted to the Assessee closing this finding.

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**Appendix B
Page 1**

INSTRUCTIONS FOR OVERSIGHT TRACKING SYSTEM (OTS) DATA ENTRY, DOCUMENTATION, MAINTENANCE, AND REPORTS

These instructions apply to assessments conducted by DOE Nevada Operations Office (DOE/NV) employees and entered in the DOE/NV OTS.

1. DATA ENTRY FORM TRANSMITTAL.

- a. The official NV-113 Assessments and Findings Data Entry Form is available on the DOE/NV Homepage at <http://nvhome/forms/FormsList.htm>.
- b. Instructions for completing the NV-113 form are included in NV M 220.XA and Changes thereto.
- c. Assessors are to record one finding per page on the NV-113 form. If multiple assessors participate in the assessment, each finding will include the name of the assessor responsible for that finding.
- d. Completed NV-113 forms will be submitted, through the employee's Team Leader or Division Director, to the OTS Administrator or Data Entry Coordinator for input.
- e. The OTS Administrator or Data Entry Coordinator will input assessment information and annotate the NV-113 form with the OTS identification number and date of entry. Data entry will be completed within 10 working days of receipt of the assessment form. Original forms and supporting documentation will be returned to the assessor for retention. The OTS Administrator will maintain copies of NV-113 forms input to OTS for reference.

2. MAINTENANCE OF ASSESSMENT DOCUMENTS.

- a. Organizations are responsible for maintaining original NV-113 forms and supporting documentation for each assessment performed. Assessment files are to be maintained in such a way as to facilitate retrieval of assessment documents for review and to ensure timely follow-up and closure of findings, as appropriate.

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- b. Assessors are responsible for communicating findings to assessees, as appropriate. Notes pertaining to follow-up and closure of findings are to be maintained with assessment documentation.

3. REPORTS AND UPDATES.

- a. The OTS Administrator or Data Entry Coordinator will provide a Quarterly Report of Open Findings Over 30 Days Old to each Division Director. Directors will utilize this report to ensure that appropriate follow-up is conducted and that findings are closed in a timely manner.
- b. The OTS Administrator or Data Entry Coordinator will provide a Quarterly Report of Findings, sorted by Root Cause, to each Division Director. Directors will utilize this report to identify and apprise their Assistant Managers of significant trends and to revise/update division oversight schedules as needed.
- c. Division Directors will maintain oversight plans for their divisions. Copies will be provided to the Management System Steering Panel for review and comment. The OTS Administrator and Data Entry Coordinators will enter plans and changes in OTS as needed.

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RISK ESTIMATION PROCESS

1. INTRODUCTION.

The risk estimate rating system is designed to help Managers determine the relative importance of “findings” through a systematic, although somewhat subjective, evaluation of the risks related to the finding. Risk assessment is performed by considering the deficiency impact on eight designated independent risk categories:

- a. Public Safety and Health
- b. Site Safety and Health
- c. Compliance
- d. Mission Impact
- e. Property/Monetary Impact
- f. Environmental Impact
- g. Public Relations
- h. Safeguards and Security

Each risk category is independently scored using a two-dimensional matrix in which the rows represent the potential impacts of the deficiency and the columns represent the probability of occurrence. Using the Risk Estimation matrix, for each risk assessment category determine the impact severity and probability of occurrence. Record the resulting cell number, i.e., 3A, in the cell number column on the Risk Estimation worksheet. The corresponding number, i.e., 40, is placed in the Risk Assessment Value (RAV) column.

The two-dimensional risk matrix is used to determine a RAV for each category and then the scores are added up to determine the RAV for that deficiency. If a category does not apply, a score of zero is applied for that area.

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RISK ESTIMATION PROCESS
(Continued)

2. REQUIREMENTS.

- a. Utilize the Risk Estimation Worksheet to determine a total RAV for each finding.
- b. Record the RAV on the Risk Estimation Worksheet (Appendix C). If no adverse finding is noted, enter zero.

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RISK ESTIMATION WORKSHEET

| Area Location _____ | Project/Facility Name _____ | |
|---|-----------------------------|-----------------------------------|
| Performance Evaluator _____ | | |
| Supervisor _____ | Specific Name _____ | |
| Telephone Number _____ | | |
| Risk Categories | Cell Number | Risk Assessment Value (RAV) |
| 1. Public Safety Risk Assessment Score | | |
| 2. Site Safety & Risk Assessment Health Score | | |
| 3. Compliance Risk Assessment Health Score | | |
| 4. Mission Impact Risk Assessment Score | | |
| 5. Property/Monetary Impact Risk Assessment Score | | |
| 6. Environmental Impact Risk Assessment Score | | |
| 7. Public Relations Risk Assessment Score | | |
| 8. Safeguards and Security Risk Assessment Score | | |
| Total RAV | | |

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| RISK ESTIMATE MATRIX | | | | | Page 1 of 5 |
|--|------------------------------|----------------------------|-------------------------------|----------------------------|-------------|
| | | PROBABILITY OF OCCURRENCE | | | |
| IMPACT SEVERITY | A | B | C | D | |
| | VERY HIGH > 1 PER YEAR | HIGH > 1 IN 10 YEARS | MEDIUM > 1 IN 100 YEARS | LOW < 1 IN 100 YEARS | |
| PUBLIC SAFETY AND HEALTH | | | | | |
| 1. Catastrophic. Immediate or eventual loss of life or permanent disability. | 4000 | 400 | 40 | 4 | |
| 2. Critical. Excessive exposure and/or serious injury or illness. | 400 | 40 | 4 | 0.4 | |
| 3. Marginal. Moderate-to-low level exposure and/or minor injury or illness. | 40 | 4 | 0.4 | 0.04 | |
| 4. Negligible. Minor exposure, no injury or illness. | 4 | 0.4 | 0.04 | 0.004 | |
| SITE SAFETY AND HEALTH | | | | | |
| 5. Catastrophic. Injuries/illnesses involving death, permanent total disability, chronic or irreversible illness, extreme overexposure (e.g., 500 rem). | 2000 | 200 | 20 | 2 | |
| 6. Critical. Injuries/illnesses resulting in permanent partial disability or temporary total disability > six months, or serious radiation overexposure (e.g., 50 rem or > 100% PEL). | 200 | 20 | 2 | 0.2 | |
| 7. Marginal. Injuries/illnesses resulting in hospitalization, temporary, reversible illnesses with a variable but limited period of disability < six months, slight overexposure (e.g., 5-10 rem), or toxic stress or exposure near limits (20-100%). | 20 | 2 | 0.2 | 0.02 | |

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| RISK ESTIMATE MATRIX | | | | | Page 2 of 5 |
|---|------------------------------|----------------------------|-------------------------------|----------------------------|-------------|
| | | PROBABILITY OF OCCURRENCE | | | |
| IMPACT SEVERITY | A | B | C | D | |
| | VERY HIGH > 1 PER YEAR | HIGH > 1 IN 10 YEARS | MEDIUM > 1 IN 100 YEARS | LOW < 1 IN 100 YEARS | |
| 8. Negligible. Injuries/illness not resulting in hospitalization, temporary reversible illnesses requiring minor supportive treatment, or toxic stress or exposures below 20% of limits (e.g., < 1 rem). | 2 | 0.2 | 0.02 | 0.002 | |
| COMPLIANCE AND BUSINESS MANAGEMENT PRACTICES | | | | | |
| 9. Catastrophic. Noncompliance with federal, state, or local laws; enforcement actions; contract requirements; or compliance actions which could result in significant fines, penalties, or fee impact. | 2000 | 200 | 20 | 2 | |
| 10. Critical. Noncompliance with federal, state, or local laws; DOE Directives; requirements which could result in minor fines, penalties, or fee impact. Any deviation from contract requirements. | 200 | 20 | 2 | 0.2 | |
| 11. Marginal. Noncompliance with federal, state, or local laws; DOE Directives; or contract requirements which are unlikely to result in fines, penalties, or fee impact. | 20 | 2 | 0.2 | 0.02 | |
| 12. Negligible. Deviation from good management practices or opportunities for improvement. | 2 | 0.2 | 0.02 | 0.002 | |

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|--|------------------------------|----------------------------|-------------------------------|----------------------------|-------------|
| | PROBABILITY OF OCCURRENCE | | | | |
| IMPACT SEVERITY | A | B | C | D | |
| | VERY HIGH > 1 PER YEAR | HIGH > 1 IN 10 YEARS | MEDIUM > 1 IN 100 YEARS | LOW < 1 IN 100 YEARS | |
| MISSION IMPACT | | | | | |
| 13. Catastrophic. Delay of mission accomplishment for period of six months or longer. | 1000 | 100 | 10 | 0.1 | |
| 14. Critical. Delay of mission accomplishment for period of one to six months. | 100 | 10 | 1 | 0.1 | |
| 15. Marginal. Delay of mission accomplishment for a period of one week to one month. | 10 | 1 | 0.1 | 0.01 | |
| 16. Negligible. Delay of mission accomplishment of period of less than one week. | 1 | 0.1 | 0.01 | 0.001 | |
| PROPERTY/MONETARY IMPACT | | | | | |
| 17. Catastrophic. Property or monetary loss greater than \$50 million, or waste, fraud, or abuse, or significant internal control weaknesses. | 1000 | 100 | 10 | 1 | |
| 18. Critical. Property or monetary loss greater than \$5 million but less than \$50 million. | 100 | 10 | 1 | 0.1 | |
| 19. Marginal. Property or monetary loss greater than \$500,000 but less than \$5 million. | 10 | 1 | 0.1 | 0.01 | |
| 20. Negligible. Property or monetary loss less than \$500,000. | 1 | 0.1 | 0.01 | 0.001 | |

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| | PROBABILITY OF OCCURRENCE | | | | |
| IMPACT SEVERITY | A | B | C | D | |
| | VERY HIGH > 1 PER YEAR | HIGH > 1 IN 10 YEARS | MEDIUM > 1 IN 100 YEARS | LOW < 1 IN 100 YEARS | |
| ENVIRONMENTAL IMPACT | | | | | |
| 21. Catastrophic. Widespread, long-term or irreversible damage to the off-site environment. | 2000 | 200 | 20 | 2 | |
| 22. Critical. Widespread and short-term or localized damage to the off-site environment or long-term irreversible damage to the on-site environment. | 200 | 20 | 2 | 0.2 | |
| 23. Marginal. Moderate localized and short-term damage to the on-site environment. | 20 | 2 | 0.2 | 0.02 | |
| 24. Negligible. Minor localized and short-term damage to the on-site environment. | 2 | 0.2 | 0.02 | 0.002 | |
| PUBLIC RELATIONS | | | | | |
| 25. Catastrophic. Create unfavorable public opinion directly or indirectly resulting in major program interruption and possible lost of contracts. | 1000 | 100 | 10 | 1 | |
| 26. Critical. Create unfavorable public opinion directly or indirectly resulting in a significant program interruption. | 100 | 10 | 1 | 0.1 | |
| 27. Marginal. Create unfavorable public opinion indirectly resulting in a moderately negative impact on a system. | 10 | 1 | 0.1 | 0.01 | |
| 28. Negligible. Create unfavorable public opinion resulting in no significant negative impact. | 1 | 0.1 | 0.01 | 0.001 | |

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| | PROBABILITY OF OCCURRENCE | | | | |
| IMPACT SEVERITY | A | B | C | D | |
| | VERY HIGH > 1 PER YEAR | HIGH > 1 IN 10 YEARS | MEDIUM > 1 IN 100 YEARS | LOW < 1 IN 100 YEARS | |
| SAFEGUARDS AND SECURITY | | | | | |
| 29. Catastrophic. Loss or compromise of Top Secret information or diversion of Category I Special Nuclear Materials (DOE Order 5633.3B). | 2000 | 200 | 20 | 2 | |
| 30. Critical. Loss or compromise of Secret Restricted Data or Weapons Data information or diversion of Category II Special Nuclear Materials. | 200 | 20 | 2 | 0.2 | |
| 31. Marginal. Loss or compromise of Confidential or Unclassified Controlled Nuclear Information or Sensitive Unclassified Information or diversion of Category III Special Nuclear Materials. | 20 | 2 | 0.2 | 0.02 | |
| 32. Negligible. Diversion of small quantity of Special Nuclear Materials. | 2 | 0.2 | 0.02 | 0.002 | |

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DOE NEVADA OPERATIONS OFFICE (DOE/NV) OVERSIGHT TRACKING SYSTEM (OTS)

The DOE/NV OTS is a simplified database that shall identify and track information and findings identified on the Oversight Tracking Form created by Performance Evaluators. The OTS is capable of producing standard reports as well as special reports that may be required for DOE/NV management.

The OTS shall be maintained by an appointed OTS Administrator. The OTS Administrator shall be assigned to the Assistant Manager for Technical Services. The OTS Administrator shall be responsible for revising/adding/deleting data base fields, archiving files, coordinating major changes with the DOE/NV computer contractor, etc.

Data entry shall be performed by an appointed individual, OTS Data Entry Coordinator, representing each Assistant Manager's organization. These individuals shall be the only personnel allowed to enter data into the OTS with the exception of the OTS Administrator. Data entry personnel shall input data from the Oversight Tracking Form that has been completed by the Performance Evaluators. Data entry personnel shall have the capability of entering data, requesting and printing reports, and revising previous entries.

The OTS data entry screen appears as follows:

The screenshot shows a Microsoft Access form titled "Assessment: Form". The form is divided into several sections for data entry:

- Header Section:** Fields for ID #, Assessment Title, Scheduled, and Assess. Date.
- Assessor Section:** Fields for Assessor, Position Category, Site, and Assessment Organization.
- Assessee Section:** Fields for Assessee, Assessee POC, Review Type, and Function.
- FINDINGS Section:** A table with columns: Finding #, Finding Description, Root Cause, RAV, Location, DOE/NV Closure Official, Closure Date, Input Comments, and Closure Comments.
- ARCHIVE Section:** A vertical button labeled "ARCHIVE" on the right side.
- Footer Section:** A "PRINT" button and a status bar showing "Record: 1 of 1" and "Form View".